

Selection of Award

RFP: NNS11366719R

Repair B Test Stand Level 20 Work Deck

March 02, 2011

PROCUREMENT HISTORY:

National Aeronautics and Space Administration, John C. Stennis Space Center (SSC), has a need for replacing the level 20 work deck located on the B-Test Stand at SSC. Stennis Space Center (SSC) intends to award a new firm-fixed-price type of contract based on full and open competition. The scope of work to be included issued under this firm-fixed price contract shall include all labor, materials, tools and equipment to replace the B-Test Stand 1/8 inch thick carbon steel diamond pattern decking with a new deck system as shown in the contract drawings and as specified on the contract drawings and specifications for the B-Test Stand at Stennis Space Center, Mississippi. The work is further defined in the Specifications and Drawings.

This procurement is being conducted utilizing Best Value Selection (BVS), which seeks to select an offer based on the best combination of price and qualitative merit (including past performance, relevant experience, and small business utilization) of the offers submitted and reduce the administrative burden on the Offerors and the Government. BVS predefines the value characteristics that will serve as the discriminators among offers and is based on the premise that, if all offers are of approximately equal qualitative merit, award will be made to the Offeror with the lowest evaluated price (fixed-price contracts) or the lowest most probable cost (cost type contracts). However, the Government will consider awarding to an Offeror with higher qualitative merit if the difference in price is commensurate with added value. Conversely, the Government will consider making award to an Offeror whose offer has lower qualitative merit if the price (or cost) differential between it and other offers warrant doing so.

The award will be made to the responsible Offeror whose proposal is responsive, and offers the best value to the Government. Best value will be determined based on an integrated assessment of each proposal in terms of past performance, relevant experience, small business utilization, and price. Therefore, subjective judgment by the Government is implicit in the evaluation process. **As individual factors, Past Performance and Relevant Experience are significantly more important than Small Business Utilization. When combined, these three factors (Past Performance, Relevant Experience, and Small Business Utilization) are significantly more important than Price.** However, if an Offeror does not have relevant past performance history, the Offeror may not be evaluated favorably or unfavorably on past performance and will be given a neutral rating as detailed in this plan. In addition, award may be made to the other than low-priced offer and may be made without conducting discussions.

A synopsis was posted on December 06, 2010 on the NASA Acquisition Internet Service (NAIS) Business Opportunities and Federal Business Opportunities (FedBizOps) websites. The Request for Proposal was issued on December 12, 2010. Four amendments were issued and the solicitation closed on February 09, 2011. The initial review was conducted on the proposals received

FINDINGS:

A total of seven (7) proposals were received in response to this Request for Proposal (RFP). In accordance with the evaluation process outlined in the RFP, all offerors were evaluated to determine if all required information was provided. All seven (7) proposals submitted the sufficient documentation, and were forwarded to the technical evaluation team for evaluation under Step Two of the evaluation process. The seven offerors received were as follows:

Abuck, Inc

Carmon, Inc.

Gottfried Contracting, LLC.

Hendrick Construction, Inc.

Roy Anderson Corporation

Sauer Incorporated

South Gulf, Inc.

During the initial phases of evaluation under Step 2, the technical personnel only received the offerors' past performance relevant experience, and small business utilization sections of the proposals. The pricing portion was evaluated by the procurement and technical personnel after completion of the initial technical evaluation in order to provide an unbiased (pricing perspective) technical review (e.g., so the technical evaluators would not potentially be influenced by having knowledge of the price before providing their technical reviews).

The evaluation team prepared a summary of their findings utilizing the best value process as described in the solicitation. As a result of the technical evaluation, it was determined that the evaluation team clearly understood the offerors' proposals and there was no requirement for clarifications or discussions with regard to the technical evaluation.

In compliance with the past performance, relevant experience, small business utilization, and price analysis criteria established in the RFP, the evaluation team evaluated the offerors and the results as follows:

PAST PERFORMANCE:

The solicitation required offerors to provide information on relevant past contracts, preferably with the Government, (using Attachment F of the solicitation), listing contract number, contract value, agency name and point of contact (including address, telephone and fax numbers, and E-mail address, if available), what the contract was for, and status of the contract (current, terminated (if so, why), successfully completed). The solicitation stated in section M that The Past Performance Form (Attachment F) and the Evaluation Form (Attachment G) included in this solicitation shall be used to collect and record information concerning your firm's past performance and any subcontractor and/or teaming partner. Offerors were also required to provide past performance documentation of their major subcontractors they intend on using for this project. The solicitation also states the evaluation will be based on information obtained from references provided by the Offeror of relevant past contracts performed in the past three years (Attachment F), as well as other past performance information obtained from other sources known by the Government or any other source that may have useful and relevant information. The possible ratings for past performance were Outstanding, Above Average, Neutral, Satisfactory, Marginal or Unsatisfactory. The result of each contractor's Past Performance evaluation is as follows:

Abuck, Inc: Past performance for Abuck, Inc included contracts performed within the last three years. Respondents provided mixed ratings for Abuck, Inc's past performance with overall ratings of either satisfactory or above average. Respondents' comments included statements such as 'very pleased', 'utilize them often', 'fair pricing', 'field staff is outstanding', 'home office support is poor', and 'cannot manage their sub contractors'. There were no major breaches of safety or safety citations identified during the evaluation process. Based on the information provided and the responses gathered during the evaluation process the overall past performance for Abuck, Inc's was considered Satisfactory.

Carmon Construction, Inc: Past performance for Carmon Construction, Inc and their proposed subcontractor included contracts performed within the last three years. Respondents rated Carmon Construction, Inc and their proposed subcontractors overall past performance as either above average or outstanding. Respondents' comments included statements such as 'best contractor on my jobs', 'Carmon is a good general contractor', and 'do their best to make the project work'. There were no major breaches of safety or safety citations identified during the evaluation process. Based on the information provided and the responses gathered during the evaluation process the overall past performance for Carmon Construction, Inc was considered Above Average.

Gottfried Contracting, LLC: Past performance for Gottfried Contracting, LLC included contracts performed within the last three years. Past Performance information reviewed for Gottfried Contracting LLC's indicate their performance on past projects was more favorable than unfavorable and was considered above average. There were no major breaches of safety or safety citations identified during the evaluation process. Based on the information reviewed and gathered during the evaluation process the overall past performance for Gottfried Contracting, LLC was considered Above Average.

Hendrick Construction, Inc: Past performance for Hendrick Construction Inc. and their proposed subcontractor included contracts performed within the last three years. Respondents

rated Hendrick Construction Inc and their proposed subcontractors overall past performance as either above average or outstanding with more above average than outstanding responses. Respondents' comments included statements such as 'adjust well to unforeseen events', 'provided value added engineering', 'president was personally involved to make the project go well', 'home office very professional', 'can maintain an aggressive schedule', and 'field crews work very efficiently'. There were no major breaches of safety or safety citations identified during the evaluation process. Based on the information provided and gathered during the evaluation process the overall past performance for Hendrick Construction Inc was considered Above Average.

Roy Anderson, Corp: Past performance for Roy Anderson Corporation and their proposed subcontractor included contracts performed within the last three years. Respondents rated Roy Anderson Corporation and their proposed subcontractors past performance as either above average or outstanding with more above average responses than outstanding. Respondents' comments included statements such as 'consistently perform above average to outstanding', 'highly qualified', 'do a fine job of managing sub contractors', 'staff is very professional', 'submittals are excellent', 'partner in the process', and 'embrace safety'. There were no major breaches of safety only one non serious safety citation was noted. Based on the information reviewed and gathered during the evaluation process the overall past performance for Roy Anderson Corporation was considered Above Average.

Sauer Incorporated: Past performance for Sauer Incorporated included contracts performed within the last three years. Majority of the sources consistently rated Sauer Incorporated as Outstanding. Respondents' comments included statements such as: 'excellent to work with', 'work well in launch areas', 'worked well in windows of opportunities', 'very professional', 'high value for bid amount', 'coordinate well', 'meets tight deadlines', and 'flexible to operations schedules'. There were no major breaches of safety identified however there were several safety citations noted. Based on the information provided and gathered during the evaluation process the overall past performance for Sauer Incorporated was considered Outstanding.

South Gulf Inc: Past performance for South Gulf, Inc and their proposed subcontractor included contracts performed within the last three years. Respondents provided mixed ratings of Satisfactory, Above Average and Outstanding for South Gulf Inc and their proposed Subcontractors. Respondents comments include statements such as: "their work ethic and competency were well above average", "The workers and managers are open and honest and complete the work in a timely professional and competent manner", "there safety program and how they dealt with safety hazards was excellent". There were no major breaches of safety or safety citations identified during the evaluation process. Based on the information provided and gathered during the evaluation process the overall past performance for South Gulf Inc and their proposed subcontractors were considered Above Average.

RELEVANT EXPERIENCE:

In accordance with the evaluation process outlined in Section M of the solicitation, relevant experience is the accomplishment of work that is comparable or related to the technical work required by this solicitation, and is of similar scope, size and complexity. In addition Amendment 0004, paragraph 2, added Paragraph (h) to Section L.14 of the solicitation to read as follows: (h) To assist in evaluation of relevant experience provide some form of certification or letter of verification that the contractor is an approved or qualified metal deck installer, and provide with an outline of your demolition and installation plan. The possible ratings for relevant experience were Low, Moderate, or High Risk. The evaluation team assigned the following ratings for the relevant experience:

Abuck, Inc: Based on the information provided by Abuck Inc, and the proposed subcontractor we saw very little experience with projects similar in size, scope and complexity to the requirements in our solicitation. Significant doubt exists for this contractor because they also failed to provide the project demolition and installation plans required in Paragraph (h), Section L of the solicitation. The plan was requested to assist in the evaluation of relevant experience related to the technical work required in the solicitation. The offerors very little experience with similar projects along with the lack of information contributed to the offerors risk rating. Based on the information provided significant doubt exists that Abuck Inc and their proposed subcontractor can satisfactorily perform this kind of work, and their relevant experience was considered to be a High Risk.

Carmon Construction, Inc: Based on the information provided by Carmon Construction Inc, it appears that Carmon Construction Inc and the proposed subcontractor have limited experience with projects similar in size, scope and complexity to the requirements in our solicitation. The contractor included plans for demolition and work deck installation in sufficient detail to reveal their approach to accomplish the project. However the approach shows a high reliance on the facilities' elevator and fails to address how they would transport materials that would not fit into the elevators. The offerors demolition and installation plan combined with their limited experience with similar projects caused concern. Therefore, some doubt exists that Carmon Construction Inc and their proposed subcontractor can satisfactorily perform this kind of work, and their relevant experience was considered to be a Moderate Risk.

Gottfried Contracting, LLC: Based on the information provided by Gottfried Contracting LLC, it appears that Gottfried Contracting LLC has very little experience with projects similar in size, scope and complexity to the requirements in our solicitation. Significant doubt exists for this contractor because they also failed to provide the project demolition and installation plans required in Paragraph (h), Section L of the solicitation. The plan was requested to assist in the evaluation of relevant experience related to the technical work required in the solicitation. The information provided by the offeror shows very little experience in projects of this kind requiring steel work at twenty stories height. The very little experience with similar projects combined with the missing demolition and installation plans leaves significant doubt that the offeror can perform this kind of work. Therefore, significant doubt exists that Gottfried Contracting LLC and their proposed subcontractor can satisfactorily perform this kind of work, and their relevant experience was considered to be a High Risk.

Hendrick Construction, Inc: Based on the information provided by Hendrick Construction Inc, it appears that Hendrick Construction Inc, and their proposed subcontractors have limited experience with projects similar in size, scope and complexity to the requirements in our solicitation. The offeror and their proposed subcontractors have performed several structural steel erection projects. The contractor included plans for demolition and work deck installation however they provided very little detail of how they intend to accomplish the project. The limited experience with similar projects combined with the demolition and installation plans leaves some doubt that the offeror can perform this kind of work. The offerors limited experience with similar projects combined with the demolition and installation plans leaves some doubt that Hendrick Construction Inc, and their proposed subcontractors can satisfactorily perform this kind of work, and their relevant experience was considered to be a Moderate Risk.

Roy Anderson, Corp: Based on the information provided by Roy Anderson Corporation it appears that Roy Anderson Corporation and their proposed subcontractors have extensive experience in projects of this kind including steel fabrication, structural steel erection, and electrical work accomplished at high elevations. The contractor included plans for demolition and work deck installation in sufficient detail to reveal their approach to accomplish the project. Roy Anderson Corporation and their proposed subcontractors have completed projects which are considered similar in size, scope and complexity to the requirements in our solicitation and they have provided a demolition and installation plan in significant detail including the important and critical safety aspects for the project. Therefore, little doubt exists that Roy Anderson Corporation and their proposed subcontractors can satisfactorily perform this kind of work, and their relevant experience was considered to be a Low Risk.

Sauer Incorporated: Based on the information provided by Sauer Incorporated, it appears that Sauer Incorporated has experience with projects similar in size, scope and complexity to the requirements in our solicitation. Some doubt exists for this contractor because they failed to provide the project demolition and installation plans required in Paragraph (h), Section L of the solicitation. The plan was requested to assist in the evaluation of relevant experience related to the technical work required in the solicitation. The offerors experience with similar projects could not overshadow the lack of information enough to justify a low risk. Therefore, some doubt exists that Sauer Incorporated and their proposed subcontractor can satisfactorily perform this kind of work, and their relevant experience was considered to be a Moderate Risk.

South Gulf, Inc: Based on the information provided by South Gulf Inc and their proposed subcontractors it appears that they have extensive experience in projects of this kind including steel fabrication, structural steel erection, and electrical work accomplished at high elevations. In fact South Gulf Inc has worked on 3 of our test stands recently which leaves little doubt that the contractor could satisfactorily perform the work required for this project. The contractor included plans for demolition and work deck installation in sufficient detail to reveal their approach to accomplish the project. South Gulf Inc and their proposed subcontractors have completed projects which are considered similar in size, scope and complexity to the requirements in our solicitation and they have provided a demolition and installation plan in sufficient to accomplish the project. Therefore, little doubt exists that South Gulf Inc and their proposed subcontractors can satisfactorily perform this kind of work, and their extensive relevant experience was considered to be a Low Risk.

Small Business Utilization

The evaluation of Small Business Subcontracting and Commitment to the Small Business Program applies to all offerors, except that Small Businesses are not required to submit a Small Business Subcontracting Plan. The evaluation team will review the contractor's proposal and assign a rating of high, medium, or low for Small Business Utilization base on the information provided by each offeror. A higher level of utilization will result in a "High" rating which is more favorable.

Abuck Incorporated: Abuck Inc. provided very little small business information with their proposal. A sub-contracting plan was not required for Abuck Inc. Abuck Inc submitted their small business utilization information requested in Attachment H, however they failed to complete paragraph (b) and (c) of the form showing their commitment to small business program and the Small disadvantaged business participation –contract targets. Based on the lack of information provided by Abuck Inc. their utilization of Small Business Concerns was considered minimal and they were given a "Low" rating in this area.

Carmon Construction, Incorporated: Carmon Construction, Inc. submitted the small business utilization information requested in Attachment H. A sub-contracting plan was not required for Carmon Construction Incorporated. Carmon Construction, Incorporated completed and submitted attachment H. Their submittal included their commitment to the small business program and clearly identified the subcontractor by name and indicated if they were enforceable or non-enforceable. The contractor included a listing of the dollars and percentages in paragraph (c) for their SDB Participation Contract Targets. However, the section was completed improperly with categories of small businesses, not the names for Small Disadvantaged Businesses as required by the form. Based on information provided by Carmon Construction, Incorporated, their utilization of Small Business concerns was consistent with NASA Goals in some areas. Along with the enforceable commitments and their utilization of small business concerns is considered moderate, therefore they were given a "Medium" rating in this area.

Gottfried Contracting, LLC: A sub-contracting plan was not required for Gottfried Contracting, LLC. They provided the small business utilization information requested in Attachment H. Their submittal included their commitment to the small business program and clearly identified the subcontractor by name and indicated if they were enforceable or non-enforceable. The contractor included a listing of the dollars and percentages for their SDB Participation Contract Targets in paragraph (c). Based on the information provided by Gottfried Contracting, LLC, their utilization of Small Business Concerns lists more than one enforceable commitment with a high level of utilization of small business concerns; therefore they were given a "High" rating in this area.

Hendrick Construction, Incorporated: Hendrick Construction, Incorporated provided their subcontracting plan. Hendrick Construction, Incorporated completed and submitted attachment H. Their submittal included their commitment to the small business program and clearly identified the subcontractor by name and indicated if they were enforceable or non-enforceable. Hendrick Construction, Incorporated did not include names, dollars or percentages for their SDB Participation Contract Targets. Hendrick Construction did provide information for their utilization of Small Business Concerns, which contains an enforceable commitment and utilization of small business is somewhat consistent with the NASA goals identified in the Request for Proposal. Based on the information provided by Hendrick Construction their

utilization of small business concerns is considered moderate, therefore they were given a "Medium" rating in this area.

Roy Anderson Corporation: Roy Anderson Corporation provided their subcontracting plan. Roy Anderson Corporation completed and submitted attachment H. Their submittal included their commitment to the small business program and identified subcontractors by name and indicated if they were enforceable or non-enforceable. The contractors Small Business Sub Contracting Plan Goals are lower than the NASA Goals included in the request for proposal. Also the plan included a zero percent goal for HUBZone without documentation to substantiate. Attachment H included a percentage listing however the dollar value was \$.00. The contractor did include a listing of the dollars and percentages for their SDB Participation Contract Targets. Based on the information provided by Roy Anderson Corporation, their utilization of Small Business Concerns does contain an enforceable commitment and their utilization of small business is somewhat consistent with the NASA goals identified in the Request for Proposal. Based on the information provided by Roy Anderson Corporation their utilization of small business concerns is considered moderate, therefore they were given a "Medium" rating in this area.

Sauer Incorporated: Sauer Incorporated provided their subcontracting plan. Sauer Incorporated completed and submitted attachment H. Their submittal included their commitment to the small business program and clearly identified the subcontractor by name and indicated if they were enforceable or non-enforceable. The contractor included a listing of the dollars and percentages for their SDB Participation Contract Targets. Based on the information provided by Sauer Incorporated, their utilization of Small Business Concerns does not contain any enforceable commitments however; their utilization of small business is somewhat consistent with the NASA goals identified in the Request for Proposal. Therefore Sauer Incorporated's utilization of small business concerns is considered moderate, and they were given a "Medium" rating in this area.

South Gulf Incorporated: South Gulf, Incorporated was not required to provide a subcontracting plan. They did provided the small business utilization information requested in Attachment H. Their submittal included their commitment to the small business program and clearly identified the subcontractor by name and indicated if they were enforceable or non-enforceable. South Gulf Incorporated did not include names, dollars or percentages for their SDB Participation Contract Targets. South Gulf Incorporated did provide information for their utilization of Small Business Concerns, which contains enforceable commitments and utilization of small business is somewhat consistent with the NASA goals identified in the Request for Proposal. Based on the information provided by South Gulf Incorporated their utilization of small business concerns is considered moderate, therefore they were given a "Medium" rating in this area.

PRICE EVALUATION:

In accordance with the solicitation all offerors were required to include a price for each item contained in Section B1 of the solicitation. In accordance with FAR 15.404-1(a)(1) the Contracting Officer is responsible for evaluating the reasonableness of the offered prices. The analytical techniques and procedures described in subject reference were utilized during the price analysis evaluation. Specifically, FAR 15.404-1(b)(2)(i), comparison of proposed prices

received, were used to determine price reasonableness. During this review a comparison of proposed prices received in response to the solicitation was made. The price evaluation was based on all items (0001, 0002 and Additive item 0001) contained in section B1 of the Solicitation.

In accordance with FAR 52.219-4 "Notice of Price Evaluation Adjustment for HUBZone Small Business Concerns", 10% is to be added to the proposed price of all offerors except those from HUBZone small business concerns and otherwise successful offers from small business concerns. Therefore, 10% was added to the proposed price of the large businesses, identified as Roy Anderson Corporation, Sauer Incorporated, and Hendricks Construction Incorporated for evaluation purposes.

In an effort to compare the proposed prices to establish a basis for fair and reasonableness, we compared prices of all offerors. There were a total of 7 responsive proposals submitted in response to the solicitation. The adjusted evaluated prices ranged from the lowest adjusted evaluated price offer of \$1,273,000.00 to the highest adjusted evaluated price offer of \$2,370,094.10. The average adjusted evaluated price submitted was \$1,646,474.77.

It was noticed that of the seven offerors received, two were considerably higher than the others. Five of the offerors were in a very close range well below the average adjusted evaluated price. The two considerably higher priced offerors were not considered to be within the competitive price range. The five lower priced offerors were considered to make up the competitive price range with adjusted evaluated prices ranging from \$1,273,000.00 up to \$1,463,703.00, with an average, evaluated price among the competitive range offerors, of \$1,378,131.86. Based on the proposals received in this competitive acquisition, all prices within the competitive price range are considered to be both fair and reasonable. The two considerably higher priced offerors were not considered to be both fair and reasonable.

Overview of the ratings and the adjusted evaluated prices received for each offeror:

Company Name	Past Performance	Relevant Experience (as a risk factor)	Small Business Utilization	Proposed Price	Adjusted Evaluated Price (IAW FAR 52.219-4)
Abuck, Inc.	Satisfactory	High Risk	Low	\$ 1,463,703.00	\$1,463,703.00
* Carmon Construction, Inc.	Above Average	Moderate Risk	Medium	\$ 1,373,344.00	\$1,373,344.00
Gottfried Contracting, LLC.	Above Average	High Risk	High	\$ 1,273,000.00	\$1,273,000.00
Hendrick Construction, Inc.	Above Average	Moderate Risk	Medium	\$ 1,264,843.00	\$1,391,327.30
Roy Anderson, Corp.	Above Average	Low Risk	Medium	\$ 2,154,631.00	\$2,370,094.10
Sauer Incorporate	Outstanding	Moderate Risk	Medium	\$ 2,058,700.00	\$2,264,570.00
* South Gulf, Inc.	Above Average	Low Risk	Medium	\$ 1,389,285.00	\$1,389,285.00

* HUBZone Contractor

SELECTION DECISION:

This procurement is being conducted utilizing Best Value Selection (BVS), which seeks to select an offer based on the best combination of price and qualitative merit (including past performance, relevant experience, and small business utilization) of the offers submitted and reduce the administrative burden on the Offerors and the Government. BVS predefines the value characteristics that will serve as the discriminators among offers and is based on the premise that, if all offers are of approximately equal qualitative merit, award will be made to the Offeror with the lowest evaluated price (fixed-price contracts) or the lowest most probable cost (cost type contracts). However, the Government will consider awarding to an Offeror with higher qualitative merit if the difference in price is commensurate with added value. Conversely, the Government will consider making award to an Offeror whose offer has lower qualitative merit if the price (or cost) differential between it and other offers warrant doing so.

In accordance with the evaluation process outlined in Section M of the solicitation, the award will be made to the responsible offeror whose proposal is responsive, and offers the best value to the government. Best value will be determined based on an integrated assessment of each proposal in terms of past performance, relevant experience, small business utilization, and price. Therefore, subjective judgment by the Government is implicit in the evaluation process. **As individual factors, Past Performance and Relevant Experience are significantly more important than Small Business Utilization. When combined, these three factors (Past Performance, Relevant Experience, and Small Business Utilization) are significantly more important than Price.** However, if an Offeror does not have relevant past performance history, the Offeror may not be evaluated favorably or unfavorably on past performance and will be given a neutral rating as detailed in this plan. In addition, award may be made to the other than low-priced offer and may be made without conducting discussions.

Before making my selection, I looked at the selection criteria to determine the importance of the price and the non-priced factors. As stated in the solicitation, past performance and relevant experience are significantly more important than small business utilization. When combined these three factors are significantly more important than price.

Because the non-priced factors were significantly more important than price, I first looked at all offerors ratings and compared the ratings to see who the highest rated Offeror was. I found only one offeror with an outstanding Past Performance rating Four of the offerors received the next highest, Above Average Past Performance Rating and one offeror received a satisfactory. I then looked at Relevant Experience to see if the highest rated offeror also received the highest relevant experience rating. I noticed that they received a moderate rating for Relevant Experience. Only two offerors received a Low Risk for Relevant Experience. The other offerors received either a Moderate or a High Risk for Relevant Experience. One offeror received a "High" for Small Business Utilization; however they also received a High Risk for Relevant Experience. Three offerors received a Medium and one received a Low for Small Business Utilization. One offeror received an Above Average rating for Past Performance, a Low Risk for Relevant Experience and a Medium rating for Small Business Utilization. This offeror received higher ratings for more factors than any of the other offerors. All other offerors received a lower rating for one or more evaluation factors. I found that the offeror, who received more of the higher ratings than any other offeror, also submitted the third lowest evaluated price.

Next, I looked at the lower evaluated priced offerors to see what ratings they received. I saw that the lowest evaluated price offeror received an above average for past performance along with the lowest possible rating of a high risk for relevant experience and the highest rating of high for small business utilization. I noticed that the lowest evaluated price was \$116,285.00 less than the offeror who received more of the higher ratings. The High Risk for relevant experience leaves significant doubt that the offeror with the lowest evaluated price can satisfactorily perform this kind of work, and no subcontractor information was provided with the proposal to be evaluated. The lower evaluated price, combined with a higher Small Business Utilization rating and the same past performance rating could not overshadow the high risk for relevant experience, and was not considered as the best value to the government. Therefore I removed the lowest evaluated priced offeror from further consideration.

Next, I looked at the second lowest evaluated priced offerors to see what ratings they received. I saw that the second lowest evaluated price offeror received an Above Average for past performance along with a Moderate Risk rating for relevant experience and the second highest rating of medium for small business utilization. I noticed that the second lowest evaluated price was only \$15,941.00 less than the offeror who received more of the higher ratings. The Moderate Risk for relevant experience leaves some doubt that the second lowest evaluated offeror can satisfactorily perform this kind of work. The lower evaluated price, combined with a same Small Business Utilization rating and the same past performance rating could not overshadow the Moderate Risk received for relevant experience, and was not considered as the best value to the government. Therefore I removed them from further consideration.


The third lowest price offeror received higher ratings for more factors than any of the other offerors remaining in the Competitive Price Range. In past performance the offeror was rated as Above Average. In relevant experience I noticed that the offeror had extensive experience with projects that were considered similar in size, scope and complexity. In fact the contractor has recent experience working on our test stands. Their Small Business Utilization was rated as medium high and they have identified more than one enforceable small business subcontract. The third lowest price was approximately 8% higher than the lowest evaluated price offeror with a High Risk and approximately 1% less than the second lowest evaluated price offeror who had a Moderate Risk.

The third lowest price offeror received higher ratings for more factors than any of the other offerors remaining in the Competitive Price Range. The third lowest price offeror received an above average past performance rating which is the second highest rating possible for past performance along with the highest possible rating of low risk for relevant experience, and the second highest possible rating of "Medium" for small business utilization. Review of the past performance information submitted found favorable comments such as: "Their work ethic and competency were well above average", "The workers and managers are open and honest and complete the work in a timely professional and competent manner", "their safety program and how they dealt with safety hazards was excellent". Their extensive experience in with projects of similar size, scope and complexity, and the fact that they have worked on the test stands recently left little doubt that the contractor could satisfactorily perform the work required for this project which contributed to their low risk rating for relevant experience. Their Small Business Utilization was rated medium and they have identified more than one enforceable small business subcontracts. I also noticed that their evaluated price of \$1,389,285.00 was the lowest price from

among of the highest rated offerors for relevant experience. Only one other offer received a higher rating in past performance however they also received a lower rating in relevant experience however they also had a significantly higher evaluated price proposal. The higher past performance rating along with the lower relevant experience rating and the same small business utilization rating did not warrant an award to because of their significantly higher evaluated price proposal which could not be determined as fair and reasonable based on the competition.

In summary it was noted that any lower evaluated priced offeror also received lower ratings in one or more areas in accordance with the established evaluation criteria. With our selection criteria and the evaluation results, I did not see any added value that would warrant awarding to any of the other offerors who had lower evaluated prices along with a higher risk rating, or to an offeror who had a higher rating in past performance and a lower relevant experience rating and the same small business utilization rating and a significantly higher evaluated price.

The evaluation criteria in the solicitation states; as individual factors, Past Performance and Relevant Experience are significantly more important than Small Business Utilization. When combined, these three factors (Past Performance, Relevant Experience, and Small Business Utilization) are significantly more important than Price. I also noticed in section M, Paragraph M.1 of the solicitation where it explains the best value selection states that the Government will consider awarding to an Offeror with higher qualitative merit if the difference in price is commensurate with added value. Conversely, the Government will consider making award to an Offeror whose offer has lower qualitative merit if the price (or cost) differential between it and other offers warrant doing so. Based on the above information I conclude that the third lowest evaluated price offeror provides the best value to the Government. They received the second highest possible rating of above average for past performance; a low risk for relevant experience, and medium small business utilization coupled with their price of \$1,389,285.00 provides the best overall value to the Government. Accordingly, I selected the third lowest price offeror submitted by South Gulf, Inc. for award. The award includes all line items addressed in Paragraph B1 of the schedule (Item 0001, 0002, and additive item 0001) for the B Test Stand Level 20 Work Deck project at Stennis Space Center MS for a total award cost of \$1,389,285.00.


Charles J. Heim
Contracting Officer